

CITY OF RALEIGH ADMINISTRATIVE SERVICES DEPARTMENT
OPERATING PROCEDURE

SALE OF CITY-OWNED REAL PROPERTY
Making an initial Offer For City-Owned Property

Important Property Information: The City of Raleigh makes no representations as to unforeseen encumbrances on the property or exact property boundaries. **Properties are sold “as is”**. It is **up to the bidder to investigate and verify** the property with regard to size, zoning, development potential, structural and mechanical, plumbing integrity, etc., to the extent the bidder is satisfied and understands what is being acquired. The City of Raleigh Planning Department (890-3125) can assist with interpreting Raleigh development regulations, ordinances and codes.

Submitting an Initial Offer or an Upset Bid:

1. An initial offer or an upset bid for city-owned property must be submitted in writing on a *City of Raleigh Offer to Purchase and Contract form* and must include a 5% bid deposit. **Please read the entire 2-page form, which includes standard provision.**
2. **The City of Raleigh conveyances are with a NON-Warranty deed only and may have development restrictions imposed.** Read the offer form for any sales conditions.
3. The written offer should be submitted with a five (5%) bid deposit in the form of a **cashier's check or money order** to the City of Raleigh. Offers without deposits will not be accepted for consideration.
4. Submit the offer form to the Department of Administrative Services. **Initial offers** submitted are confidential and will be reviewed by staff prior to making a recommendation to Budget & Economic Development Committee.
5. You will be contacted as soon as possible from Administrative Services Real Estate Staff with a status of the offer submitted and if it will be presented for Budget & Economic Development Committee review.
6. Currently **one** initial offer is selected by staff to be presented to the Budget & Economic Development Committee (B&EDC) for review and recommendation to the City Council. If the City Council accepts the recommendation from the B&EDC, the offer is subject to the upset bid method of disposition. Offer acceptance is not delivered to bidder until final Council action adopting a resolution authorizing the sale. Please refer to the *UPSET BID PROCEDURE & SUBMITTING A SEALED UPSET BID* information sheet in the Administrative Services Department. **If you have any questions regarding the sale of City-owned property, please contact the Department of Administrative Services at (919) 890-340 or by fax (919) 890-3843.**

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OPERATING PROCEDURES

SALE OF CITY-OWNED REAL PROPERTY

Upset Bid Procedure & Submitting a Sealed Upset Bid

Upset Bid Advertisement:

The City of Raleigh will advertise, by way of a Public Notice Ad, the Council approved bid to the general public for a period of ten days (counting the day of advertisement). The ad will run in a local newspaper (typically in the New & Observer in the legal ad section, but subject to change). The ad will indicate that the City will accept upset bids for a period of ten days beginning the day of advertisement and until the deadline date indicated in the advertisement. The **highest qualified upset bid** received by the deadline date and time specified will be considered as an upset bid for purposes of re-advertisement. That highest upset bid will then be advertised with a new upset bid period stated. This procedure of advertisement will be repeated until no upset bids are received. **Upset bids received after the time (indicated in City office) and date due as stated in the public notice ad will not be accepted. Upset bids are to be submitted in writing on a City Offer form and will be considered sealed bids. They will be opened and read at the end of the upset bid period.**

Minimum Upset Bid Calculation:

Each upset bid received must raise the advertised bid ten percent (10%) of the first One Thousand dollars and five percent (5%) of the remainder 9Re:NCGS 160A-269) An **example** of this calculation follows:

Advertised Bid =	\$100,000		
Calculate Increase	=	10% of \$1,000	=\$100
		5% of \$99,000	=\$4,950
		INCREASE	=\$5,050
Add Increase to Advertised Bid			
	=	\$100,000+\$5,050	
Minimum Upset bid Amount	+	\$105,050	
Upset bidder must bid a minimum of \$105,050 or higher.			

Submitting an Upset Bid and 5% Bid Deposit:

The upset bid must come in writing on a *City of Raleigh Offer to Purchase and Contract* form and include a five (5%) percent bid deposit in the form of a local bank cashier's check or a money order. **Upset bids are considered sealed bids** and will be opened after deadline time and date. Contact with bidders will be made within ten working days after bid deadline to inform bid results and to return bid deposits as necessary.

***The City of Raleigh conveyances are by NON-WARRANTY DEED
The City Council may at any time reject any and all offers.***